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ABSTRACT

Each college foreign language department needs to use its limited resources with long-term goals in mind. Strategic planning requires the department to make sense of innovations in technology, present and future costs, enrollment trends, product life cycles, student characteristics, methodology, programmed or non-programmed needs, and vendors. In selecting a product and vendor, considerations include price, quality, service, reliability, credit, and shipping costs. Because all materials are used immediately upon receipt and/or stored, inventory control is an integral part of purchasing and materials management. Inventory should record quantitative and qualitative data on equipment, furniture, and books. Newer technologies deserve special attention in strategic planning. Because purchasing and materials management is successful only if the department uses funds efficiently, a budget strategy helps control expenditures. The distinction between actual and budgeted expenditures is important, and the budget variance report can help control the budget. The department must have a planning strategy or funds will be mismanaged and the focus of student instruction will be weakened. A 21-item bibliography is included. (MSE)

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MATERIALS AND PURCHASING MANAGEMENT: THE FOREIGN LANGUAGES DEPARTMENT

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Effective materials and purchasing management is one key to a better foreign language department, yet mismanagement jeopardizes all departmental resources and property. The department chairperson and staff can either manage or mismanage. Therefore, the department must develop a strategic plan, evaluate vendors, purchase, and inventory. More than ever, the department needs to meet the challenge of the budget, the efficient use of limited resources.

This discussion will address the definition of materials and purchasing management, and the process of effective and efficient use of limited resources or money. The aim of this study is to define strategic management, purchasing, vendors, quantitative and qualitative inventory, and budgeting specific to secondary schools and colleges.

Strategic Management. All departments within the school must struggle with two key dimensions of planning: shortsighted and farsighted. If one must use limited resources efficiently strategic management must be the best option. Strategic management of materials and purchasing is the continuous process of ensuring a fit between the department and the changing environment, and long-term goals (Teece, 1984). Planning strategically requires the department to see the interdependency of factors or variables

such as projected innovations in technology, present and future cost, enrollment trends, product life cycles, and management changes. Strategic thinking requires that each variable merge into an array of choices (Tregoe and Zimmerman, 1979). Another important aspect of strategic management is prediction and trends. One approach to trends is research. Professional journals such as the CALICO Journal, Association of Departments of Foreign Languages Bulletin, Foreign Language Annals, French Review, Hispanis, and Northeast Conference on the Teaching of Foreign Languages Newsletter publish reviews on emerging technology (Cummins, 1989a, 1989b). Another source of trends in foreign languages is the textbook publisher whose advertisements list and describe ancillaries, laboratory materials, audio-visuals, etc. The department should rely, however, on its own intuition, and logic in evaluating research literature.

Another technique is the scenario or descriptions of how the present evolves into the future (Schnaars, 1987). The department faculty gathers as much information as possible about present conditions and speculates in written form about likely future conditions. The faculty analyzes areas of responsibility and suggest improvements. Changes in variables such as curricular offerings, enrollment, study and travel programs, interdisciplinary needs, and professional advancement are examined. Other sources of variables for investigation are: surveys, peer evaluations, perceptions of

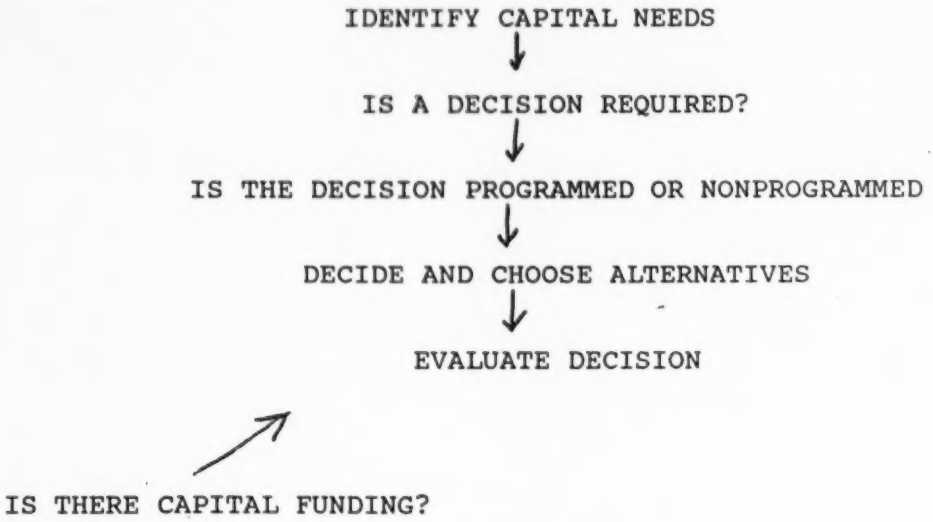
the department by others, cultural and social change, student sociology, demographics, and economic trends (Levasseur, 1986). In effect, a data base is constructed and the faculty hypothesizes about the pattern of future events.

Purchasing. Purchasing includes the procurement of supplies, equipment, and services required in a department (Orlicky, 1975). It also provides a rational basis for personal decisions. The primary function of purchasing is to contribute to the educational program efficiently at the lowest cost. The purchasing function can be described:

1. Determine capital needs.
2. Provide cost specifications.
3. Select a vendor.
4. Place purchase order and arrange for delivery.
5. Inspect purchase upon receipt.
6. Check invoices.
7. Record transaction.
8. Implement into curriculum.

To determine capital needs, strategic management has has already been mentioned; however decision theorists (Keeney, 1979; Simon, 1977) recognize that a condition of uncertainty exists when little or no reliable factual information exists. There may be little or no data base from which to judge and to decide. A condition of risk, a decision based upon incomplete information and probabilities tends to be

the general rule for some departments. Whether the decision is programmed or routine, or nonprogrammed or nonroutine, data or risk based, decisions have to be made and communicated to the purchasing department in order to set the procurement function in motion. The decision model (Huber, 1980) can be pictured:



Purchasing and cost specifications reject the idea that "you only get what you pay for". Furthermore, purchasing and cost specifications reject the notion that quality is a function of high cost (Cavinato, 1987). Departments must be cost conscious and must propose actions which take into account every possible expense, depreciation, and service. Every department must appraise item quality, compare actual performance to departmental needs and standards, and investigate

service or long-term care of the purchase. Size, materials, durability, and operating specifications must meed departmental standards (Levasseur, 1986). The department must determine carefully the difference between a catalogue description and the real product. Lower cost items which are not major brand names yet have reliable histories and high quality may be warranted due to budgetary constraints. Finally, only novices buy without due regard to cost, quality, and reliability during these recessionary times.

Since purchase orders are normally issued to the vendor, credit and shipping costs become important factors. Several important questions must be answered to determine if the vendor is acceptable to the department:

1. Does the vendor require immediate payment upon receipt of shipment?
2. Does the vendor ship expeditiously upon filling orders?
3. Does the vendor render service after purchase?
4. Does the vendor provide easy access to its central office and service department via telephone and/or mail?

Vendors often require immediate payment with 30 days; however some vendors may offer a contract for terms of 5/10 net 30 or a 5 percent discount if the account is paid within 10 days. Such cash discounts may be very desirable for very costly purchases. If purchases are negotiated or bidded, very costly items become more affordable.

Shipping costs pay the expenditure of transporting the

purchased item from the vendor to the consumer. It makes sense to purchase costly items from close vendors. It also makes sense to ask vendors about means of shipment: first class, third class, parcel post, or registered or unregistered COD. Does the vendor insure or assume liability for damaged shipments? How are claims filed for damages or loss?

The final steps in purchasing are: (1) issue purchase order; (2) check invoices upon delivery; (3) record the transaction; and (4) implement the purchase into the curriculum. The purchase order is the record of your negotiation with the vendor and generally includes an order number or "PO" number. This document specifies the date of order, the description and quantity of item, the cost per itme, and shipping costs. In case of loss or damage, the purchase order is your record of the transaction and is used to identity your department to the vendor.

Upon receipt of the order, the invoice and packing slip must coincide with your purchase. Report any damage, shortages, or mistakes to the vendor. If the order is correct, the department will remit payment and will file the purchase order for future reference and inventory control.

Inventory Control. Inventory is the process of establishing and maintaining materials and/or property in an itemized list (Webster's new world dictionary, 1984). Permanent and expendable property housed in a foreign languages department is both quantitative and qualitative. The inventory sustantiates and supports data about school property, and meets the reporting

The inventory identifies equipment, records transfers of items between departments, discourages loss and theft, provides cost information, and reflects depreciation and replacement. Inventory records include qualitative rankings of property to explain product life or the condition of the item (Regnier, 1986).

Lecture and Laboratory Facilities. Classroom inventory may include desks, tables, file cabinets, and books. Accounting procedures often record the number and value of such items to the school or to the plant assets account. It is advisable that personal items and equipment should be marked by the owner to avoid inclusion into the plant assets account.

As a general rule property in the electronic laboratory must be in detail. The console, listening stations, headsets, recorders, learning tapes must be added to the inventory upon purchase; all equipment should be marked with an identification code or serial number. The serial code or number should be a part of the inventory description of the property.

One special case is the microcomputer. Bork (1880), Kleiman (1984) and Papert (1980) predict that most of our children's instruction will take place via the microcomputer. Theorists (Harter, 1978; Kagan, 1972) identify intrisic motivation in terms of challenge, curiosity and self-determination. Micro-computer as eductional tools make issues of motivational learning. As a result, the microcomputer provides immediate feedback, instructional content, imaginary context, and

active learning (Lepper, 1985).

Advances in the microminiaturization of electronic components have influenced computer hardware and software for foreign language classrooms. Computer Assisted Instruction continues to change the classroom and the laboratory. Hence, it is easier to see the advantage of the Apple IIe or IBM computer when a growing line of software is available. Unfortunately, every department cannot be so lucky to have a microcomputer; however, personal computers may be found in a learning resources center and/or library, or in the science-mathematics department. Schools should set up a style of computer operations to meet the needs of all departments. The foreign language instructor should evolve a special relationship with the computer staff.

Purchasing and maintaining computer hardware and software is a capital expenditure. Factors such as product quality, price, service, shipping and handling, and other administrative costs apply to all purchases. However, because of the complexity of the microcomputer, maintenance must be preventive, long-term, and emergency. Preventive maintenance establishes a system of scheduled inspections and/or periodic servicing to maintain the computer in peak operating condition. Long-term planning of a maintenance routing keeps the computer efficient and economical. In cases of emergency, the department should maintain a list of technical assistants, consultants, and vendors.

Cummins (1989a) lists the following warnings to hardware and software buyers:

1. Can you preview software before purchase?
2. What are the rules on copying software?
3. Do you need a site license to save on a hard disk?
4. Does the vendor offer training?
5. Are there consultants available?
6. Does the software achieve departmental goals?
7. Does the software and hardware generate accent marks?
8. Does the program edit and provide feedback?
9. Are the documentation and manuals clear?

One must also ask these questions for more advanced programs:

1. Does the program allow word processing?
2. How soon will the hardware and software obsolesce?
3. Does the program offer a thesaurus, spell checker, or dictionary?
4. Does the data base program allow the user to organize it easily?

If the department is satisfied with the responses to the aforementioned questions, and cost and maintenance factors are resolved, the department can schedule a computer assisted instructional program consistent with current methodologies.

Many departments maintain slides, 16mm motion pictures, and a small library of films. Many contemporty departments integrate video into the language program. Video uses the graphic power of television with the stop, start and rewind capacity of the audio-cassette (Cummins, 1989b). Video engages the student in visual and aural perception simultaneously allowing para-language--gesticulating, smiles, nods, and other nonspeech--

to reinforce associations. This medium is as close to a live model as the traditional classroom allows. Video cassettes can bring the foreign culture and nation into the classroom, and enliven it. Video cassettes are easily maintained, and can be repaired by local commercial dealers. Unfortunately, variations in product and in quality make intelligent buying a must. The buyer should shop for the vendor whose price and quality meet departmental standards. It is always advisable to read journal reviews to evaluate the content of the video when the vendor does not allow a preview of the product.

Budget Strategy. A budget is a plan that enables the allocation of resources, as a result, the budget is a formal financial projection. The budget is also the mechanism through which plans for the department are realized. The budget is a mechanism for expenditure and financial control (Woodford and Schmitt, 1992). A budget request takes into account: (1) immediate and strategic needs or goals; (2) trends in technology; (3) materials and product life cycles; (4) availability and accessibility of vendors; (5) cost; (6) maintenance and service; and (7) enrollment. Unfortunately, there is no single approach to budgeting that can resolve the inherent complexity of the entire process. Yet money has to be managed and the department must be cost conscious. There is also a difference between actual and budget expenditures. Budget variance can be managed in an analytical manner. The following departmental budget illustrates the budget variance.

"X" School
VARIANCE REPORT
FOREIGN LANGUAGES BUDGET
APRIL CLOSING

Description	Budget	YTD%	Y-T-D Budget	Current Amt.	Variance	Var%
Copying	120.00	.83	100.00	100.00	.00	.00
Office Supplies	70.00	.86	60.00	80.00	20.00-	1.33
Postage	20.00	.50	10.00	10.00	.00	.00
Service Contracts	100.00	.50	50.00	50.00	.00	.00
Telephone	40.00	.50	20.00	20.00	.00	.00
A-V Equipment	200.00	.75	150.00	150.00	.00	.00
Miscellaneous	100.00	.50	50.00	60.00	10.00-	1.20
TOTALS	650.00		440.00	470.00		

$$YTD\% = \frac{\text{YTD Budget}}{\text{Budget}}$$

$$VAR\% = \frac{\text{Current Amount}}{\text{Y-T-D Budget}}$$

Y-T-D Budget = Projected use of Budget

Variance = Current Amount - Y-T-D Budget

This hypothetical budget becomes a variance report detailing the allocation of funds to the department (Budget), the percent of expenditures to date (YTD%), projected expenditures (Y-T-D Budget), current expenditure to date (Current Amount), budget variance (Variance), and the percent of budget variance (VAR%). The variance report indicates that "office supplies" and "miscellaneous" are in deficit. These accounts may be corrected in May. Other accounts are favorable, thus these expenditures are under control.

With budget variance control, the department integrates planning and budgeting. The budget becomes a master plan for annual expenditure, both fixed and variable. The budget variance report details monthly activities, evaluates expenditures in the form of budget variance, anticipates activities to correct deficits. Thus, the department controls spending by anticipating problems before the fact and after the fact (Koontz and Bradspies, 1972).

Conclusion. Each foreign languages department needs to use the limited resources with long-term goals in mind. Strategic thinking requires the department to make sense out of innovations in technology, present and future costs, enrollment trends, product life cycles, student characteristics, methodology, programmed or nonprogrammed needs, and vendors. One needs to consider price, quality, service, reliability, credit, and shipping costs in selecting a product and a vendor.

Since all materials are used immediately upon receipt and/or stored, inventory control is an integral part of purchasing and materials management. Inventory records quantitative and qualitative data: how many and what condition. All items should be listed--audiovisual and laboratory equipment, desks, tables, file cabinets, and books. The newer technologies, microcomputers and video cassettes, deserve special attention to strategic planning. Such purchases require close attention to product quality, price, service, product life cycle, and shipping and handling costs.

Because purchasing and materials management is successful only if the department uses funds efficiently, a budget strategy helps to control expenditures. The department must recognize the difference between actual and budget expenditures. The budget variance report can help to control the budget.

The foreign languages department encompasses both instructional and managerial activities. The department must have a strategy or funds will be mismanaged. As a result, the focus of student instruction will weaken. The department must learn to understand the dynamics of strategic management, purchases, vendors, inventory, and budgets.

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